

85-3826/13

MEMORANDUM FOR: Director of Central Intelligence

THROUGH: Deputy Director of Central Intelligence
Executive Director

FROM: Harry E. Fitzwater
Deputy Director for Administration

SUBJECT: Fiscal Year 1985 Reports to the President and Congress under
the Financial Integrity Act

30-12

1. Attached, for your signature, are reports required by the Federal Managers' Financial Integrity Act of 1982. These reports are for submission to the President and Congress by 31 December of each year.

2. The reports comply with the reporting requirements of the Act for both internal controls and the accounting system in operation during fiscal year 1985 as certified to by the responsible senior officials. Although we have identified no material weaknesses in internal controls to be reported, we do believe it is appropriate to acknowledge the four loss of fund situations of relative significance which are cited in the reports. Basic data on these cases is summarized for your information in an attachment.

3. Also attached are the fiscal year 1985 certifications from the Directors of Intelligence Community Staff and National Intelligence Emergency Support Office, the Deputy Directors, Heads of Independent Offices, and the Director of Finance.

181 1000 10 1000 1000
Harry E. Fitzwater

Attachments

Page Denied

85-772

Director
Intelligence Community Staff

Washington, D.C. 20505

DCI/ICS 85-7201
25 October 1985

MEMORANDUM FOR: Director of Central Intelligence

VIA: Deputy Director of Central Intelligence
Inspector General, Central Intelligence Agency

FROM:
Director, Intelligence Community Staff

SUBJECT: Financial Integrity Act of 1982

REFERENCE: a. dated 8 Sep 1982
b. dated 6 Dec 1983
c. Memo from Inspector General dated 7 Dec 1983, same subject
d. OMB memo 85-5 dated 22 Oct 1984, subject: "Second-Year Implementation of the Financial Integrity Act"

In accordance with Section 2 of the Federal Managers' Integrity Act of 1982, I have reviewed the internal accounting and administrative controls for the Intelligence Community (IC) Staff for the Fiscal Year ended 30 September 1985. Within the IC Staff I have limited delegations of authority to manage resources to the highest practicable level, which I believe strengthens the internal control system of checks and balances in assuring sound management of Staff resources. I believe the IC Staff to be in reasonable compliance with the standards prescribed by the Comptroller General for accounting, auditing, and internal accounting and administrative control systems. To the best of my knowledge, the activities taking place during FY 1985 within the IC Staff have been appropriately approved and carried out in accordance with law and Agency regulations. Obligations are valid and are supported in accordance with Agency regulations. Expenditures have been properly approved. Due care has been exercised to protect resources from misuse and misappropriation. Activities have been managed in an efficient and effective manner, and the internal accounting and administrative controls are operational and effective.

SECRET



21 November 1985

MEMORANDUM FOR: Deputy Director of Central Intelligence

VIA: Inspector General

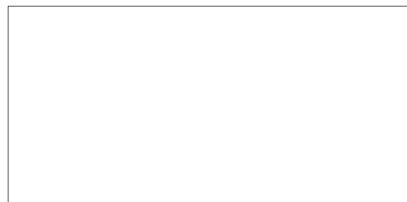
FROM: [Redacted]
Director, National Intelligence Emergency
Support Office

SUBJECT: Federal Manager's Financial Integrity Act
Annual Certification

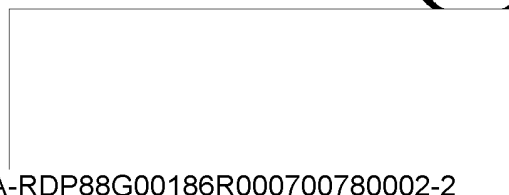
REFERENCE: [Redacted] Internal Accounting and
Administrative Control Directive, dtd 6 Dec 83

Below is my certification in accordance with Headquarters
Notice [Redacted]

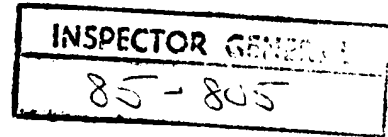
"To the best of my knowledge, the activities that took place during FY 1985 within the National Intelligence Emergency Support Office were appropriately approved and carried out in accordance with law and Agency regulations. Obligations were valid and supported in accordance with Agency regulations. Expenditures were properly approved. Due care was exercised to protect resources from misuse and misappropriation. Activities were managed in an efficient and effective manner. Internal accounting and administrative controls were operational and effective."



SECRET



ADMINISTRATIVE INTERNAL USE ONLY



DS&T-1023-85

13 NOV 1985

MEMORANDUM FOR: Executive Director
THROUGH: Inspector General
FROM: R. E. Hineman
Deputy Director for Science and Technology
SUBJECT: Federal Managers' Financial Integrity Act

To the best of my knowledge, the activities taking place during FY-85 within the Directorate of Science and Technology have been appropriately approved and carried out in accordance with law and Agency regulations. Obligations are valid and are supported in accordance with Agency regulations. Expenditures have been properly approved. Due care has been exercised to protect resources from misuse and misappropriation. Activities have been managed in an efficient and effective manner. Internal accounting and administrative controls are operational and effective.

STAT



R. E. Hineman

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ADMINISTRATIVE-INTERNAL USE ONLY

051- 05509-85

4 NOV 1985


85-3777

MEMORANDUM FOR: Executive Director


THROUGH: Deputy Director for Administration

FROM: Robert M. Gates
Deputy Director for Intelligence

SUBJECT: Internal Accounting and Administrative Control

REFERENCE: 

To the best of my knowledge, the activities taking place during FY-85 within the Directorate of Intelligence have been appropriately approved and carried out in accordance with law and Agency regulations. Obligations are valid and are supported in accordance with Agency regulations. Expenditures have been properly approved. Due care has been exercised to protect resources from misuse and misappropriation. Activities have been managed in an efficient and effective manner. Internal accounting and administrative controls are operational and effective.



Robert M. Gates

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S-E-C-R-E-T

22 NOV 1985

DD/A
85-4013

MEMORANDUM FOR: Executive Director

VIA: Deputy Director for Administration

FROM: Clair E. George
Deputy Director for Operations

SUBJECT: Agency Internal Accounting and Administrative
Control Systems

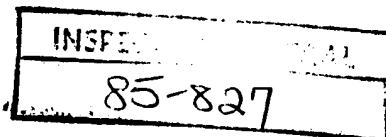
REFERENCE: [REDACTED] Annual Statement in Accordance
With The Federal Manager's Integrity Act

1. In conformance with referenced regulation, I certify that to the best of my knowledge, the activities taking place in Fiscal Year 1985 within the Directorate of Operations, except as noted below, have been appropriately approved and carried out in accordance with law and Agency regulations. Obligations are valid and are supported in accordance with Agency regulations. Expenditures have been properly approved. Due care has been exercised to protect resources from misuse and misappropriation. Activities have been managed in an efficient and effective manner, and internal accounting and administrative controls are operational and effective.

Clair E. George

S-E-C-R-E-T

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DDA 85-3826/10

22 NOV 1985

MEMORANDUM FOR: Executive Director
VIA: Inspector General
FROM: Harry E. Fitzwater
Deputy Director for Administration
SUBJECT: Federal Manager's Integrity Act

REFERENCE:

1. To the best of my knowledge, the activities taking place during FY 1985 within my Directorate have been appropriately approved and carried out in accordance with law and Agency regulations. Obligations are valid and are supported in accordance with Agency regulations. Expenditures have been properly approved. Due care has been exercised to protect resources from misuse and misappropriation. Activities have been managed in an efficient and effective manner. Internal accounting and administrative controls are operational and effective.

2. Attached is a certifying statement from the Director of Finance regarding Agency revenues and expenditures applicable to operations for 1985 as required Additionally, certified statements signed by each of the DA Office Directors attesting to the 1985 financial activities of their offices are on file in the DA registry section.

Harry E. Fitzwater

Attachment

ADMINISTRATIVE - INTERNAL USE ONLY

19 NOV 1985

ADPP 220-85

85-3826 / 12

MEMORANDUM FOR: Executive Director

THROUGH: Deputy Director for Administration

FROM: Allen R. Elkins
Director of Finance

SUBJECT: Federal Managers' Financial Integrity Act

REFERENCE: Internal Accounting and Administrative
Control Systems

1. This paragraph provides the certification required of me by paragraph e(2) of reference to be used in support of the relevant portion of the Director's 1985 Report to the President and Congress in conformance with the Act. The certification which follows is based upon my assessment, with due attention to the guidelines provided by paragraph e(1)(a) of reference, of the operation of internal accounting and administrative controls throughout the Agency:

"To the best of my knowledge, during FY 1985 revenues and expenditures applicable to operations for which the Agency is responsible were accounted for, certified and recorded properly so that reliable financial and statistical reports could be prepared and accountability of assets maintained."

2. The subject Act also requires that the Director's Report include a statement on whether the accounting system of the Agency conforms to the principles, standards and requirements prescribed by the Comptroller General for observance by Federal Agencies. The certification which follows to support that portion of the Director's 1985 Report is based upon my assessment of staff evaluation of the conformance of the Agency accounting system with such principles, standards and requirements:

"To the best of my knowledge, Comptroller General principles, standards and related requirements for accounting systems have been and continue to be used as the guidelines against which the Agency Accounting System has been developed and is being maintained."

Allen R. Elkins




OGC-85-53418
20 November 1985

MEMORANDUM FOR: Executive Director
THROUGH: Deputy Director for Administration
FROM: Stanley Sporkin
SUBJECT: General Counsel's 1985 Federal Managers
Financial Integrity Act Report

1. All attorneys in the Office of General Counsel have been surveyed to determine whether they are aware of any weaknesses or deviations in the Agency's system of internal accounting and administrative controls, in this Office or elsewhere in the Agency. Several items occurring outside of this Office were reported to me. However, in my opinion, these items may not represent material weaknesses in the Agency's system of internal accounting and administrative controls.

2. To the best of my knowledge, the activities within the Office of General Counsel during FY 1985 have been appropriately approved and carried out in accordance with law and Agency regulations. Obligations are valid and are supported in accordance with Agency regulations. Expenditures have been properly approved. Due care has been exercised to protect resources from misuse and misappropriation. Activities have been managed in an efficient and effective manner. Internal accounting and administrative controls are operational and effective.

STAT


Stanley Sporkin



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INSPECTOR GENERAL

85-800

OLL 85-3512
13 November 1985

MEMORANDUM FOR: Executive Director

VIA: Inspector General

FROM: Charles A. Briggs
Director, Office of Legislative Liaison

SUBJECT: Federal Managers' Financial Integrity Act

REFERENCE: Memorandum for the Director, OLL, from the
Deputy Director for Administration (DDA 84-2661/8)

1. Pursuant to the referenced memorandum, I submit this statement on the activities and operations of the Office of Legislative Liaison.

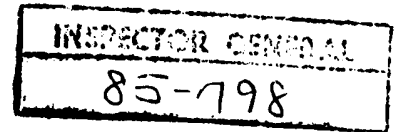
2. To the best of my knowledge, the activities taking place within the Office of Legislative Liaison during Fiscal Year 1985 have been appropriately approved and carried out in accordance with law and Agency regulations. Obligations are valid and are supported in accordance with Agency regulations. Expenditures have been properly approved. Due care has been exercised to protect resources from misuse and misappropriation. Activities have been managed in an efficient and effective manner. Internal accounting and administrative controls are operational and effective.

3. I will be glad to consult with you should you have any questions about this statement.

Charles A. Briggs

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13 NOV 1985

MEMORANDUM FOR: Executive Director
THROUGH: Inspector General
FROM: Daniel A. Childs, Jr.
Comptroller
SUBJECT: Federal Managers' Integrity Act
REFERENCE: [Redacted] Internal Accounting and Administrative Control
Directive dated 6 December 1983

(k)(1)

In compliance with Reference, the following statement is provided:

To the best of my knowledge, the activities taking place during FY 1985 within the Office of the Comptroller have been appropriately approved and carried out in accordance with law and Agency regulations. Obligations are valid and are supported in accordance with Agency regulations. Expenditures have been properly approved. Due care has been exercised to protect resources from misuse and misappropriation. Activities have been managed in an efficient and effective manner. Internal accounting and administrative controls are operational and effective.

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[Redacted Signature Box]

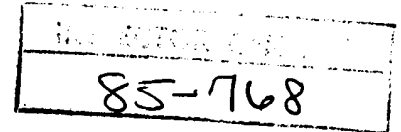
/Daniel A. Childs, Jr.

cc: IG
DDA

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The Director of Central Intelligence
Washington, D.C. 20505



NIC #05250/85

National Intelligence Council

29 OCT 1985

MEMORANDUM FOR: Executive Director
VIA: Inspector General
FROM: Robert M. Gates
Chairman, National Intelligence Council
SUBJECT: Statement of Internal Accounting and
Administrative Control

REFERENCE: dated 6 December 1983

To the best of my knowledge, the activities taking place during FY-85 within the National Intelligence Council, O-DCI, have been appropriately approved and carried out in accordance with law and Agency regulations. Obligations are valid and are supported in accordance with Agency regulations. Expenditures have been properly approved; and due care has been exercised to protect resources from misuse and misappropriation. Activities have been managed in an efficient and effective manner. Internal accounting and administrative controls are operational and effective.

Robert M. Gates

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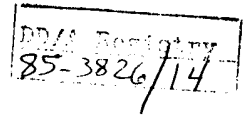
Orig - Addressee
1 - Executive Registry
1 - Inspector General
1 - DDI
1 - DDI Registry
1 - AO/NIC

AO/NIC (22 October 1985)

Central Intelligence Agency



Washington, D.C. 20505



20 DEC 1985,

The President
The White House
Washington, D.C. 20500

Dear Mr. President:

As required by the Federal Managers' Financial Integrity Act of 1982 (P.L. 97-255), this is my report to you on the systems of internal accounting and administrative controls of the Central Intelligence Agency (CIA), the Intelligence Community Staff (ICS), and the National Intelligence Emergency Support Office (NIESO) in effect for Fiscal Year 1985.

During the year a comprehensive statement of responsibilities and procedures for assuring full compliance with that Act was included as an integral part of the formal Agency regulatory system.

An evaluation of these systems was performed in reasonable accordance with the guidelines issued by the Office of Management and Budget. Senior officials in reporting the results of their respective evaluations were required to also evaluate the substance of findings of internal management reviews, staff reporting, and audit or inspection reports.

Notwithstanding the foregoing, I am satisfied based upon the written certifications of responsible senior officials and evaluations of the findings of inspections and audits by the Office of the Inspector General that the CIA, ICS, and NIESO systems of internal accounting and administrative controls provide reasonable assurance that:

- (a) Obligations and costs comply with applicable law;
- (b) All assets are safeguarded against waste, loss, unauthorized use, and misappropriation; and

The President

(c) Revenues and expenditures applicable to agency operations are recorded and accounted for properly so that accounts and reliable financial and statistical reports may be prepared and accountability of the assets may be maintained.

I further report to you that, to the best of my knowledge based upon the evaluation and written assurance of the responsible senior official, the accounting system of the Agency, which also supports ICS and NIESO, substantially conforms with the principles, standards, and requirements prescribed by the Comptroller General.

Statements similar to this one are being provided to the Chairmen of the House Permanent Select Committee on Intelligence and the Senate Select Committee on Intelligence.

Respectfully yours,

/s/ William J. Casey

William J. Casey
Director of Central Intelligence

SUBJECT: Report to The President

Distribution:

Orig. - Addressee

- 1 - OGC
- 1 - DDA
- 1 - ED
- 1 - DDCI
- 1 - DCI
- 1 - IG
- 1 - D/OF

Central Intelligence Agency



Washington, D.C. 20505

85-3826/15

20 DEC 1985

The Honorable Dave Durenberger
Chairman
Select Committee on Intelligence
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

As required by the Federal Managers' Financial Integrity Act of 1982 (P.L. 97-255), this is my report to you on the systems of internal accounting and administrative controls of the Central Intelligence Agency (CIA), the Intelligence Community Staff (ICS), and the National Intelligence Emergency Support Office (NIESO) in effect for Fiscal Year 1985.

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Notwithstanding the foregoing, I am satisfied based upon the written certifications of responsible senior officials and evaluations of the findings of inspections and audits by the Office of the Inspector General that the CIA, ICS, and NIESO systems of internal accounting and administrative controls provide reasonable assurance that:

- (a) Obligations and costs comply with applicable law;
- (b) All assets are safeguarded against waste, loss, unauthorized use, and misappropriation; and

The Honorable Dave Durenberger

(c) Revenues and expenditures applicable to agency operations are recorded and accounted for properly so that accounts and reliable financial and statistical reports may be prepared and accountability of the assets may be maintained.

I further report to you that, to the best of my knowledge based upon the evaluation and written assurance of the responsible senior official, the accounting system of the Agency, which also supports ICS and NIESO, substantially conforms with the principles, standards, and requirements prescribed by the Comptroller General.

Statements similar to this one are being provided to The President and the Chairman of the House Permanent Select Committee on Intelligence.

Sincerely,

/s/ William J. Casey

William J. Casey
Director of Central Intelligence

SUBJECT: Report to the Chairman of the Select Committee on Intelligence

Distribution:

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Central Intelligence Agency



Washington, D.C. 20505

85-3826/16

20 DEC 1985

The Honorable Lee H. Hamilton
Chairman
Permanent Select Committee on Intelligence
House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

As required by the Federal Managers' Financial Integrity Act of 1982 (P.L. 97-255), this is my report to you on the systems of internal accounting and administrative controls of the Central Intelligence Agency (CIA), the Intelligence Community Staff (ICS), and the National Intelligence Emergency Support Office (NIESO) in effect for Fiscal Year 1985.

During the year a comprehensive statement of responsibilities and procedures for assuring full compliance with that Act was included as an integral part of the formal Agency regulatory system.

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- (a) Obligations and costs comply with applicable law;
- (b) All assets are safeguarded against waste, loss, unauthorized use, and misappropriation; and

The Honorable Lee H. Hamilton

(c) Revenues and expenditures applicable to agency operations are recorded and accounted for properly so that accounts and reliable financial and statistical reports may be prepared and accountability of the assets may be maintained.

I further report to you that, to the best of my knowledge based upon the evaluation and written assurance of the responsible senior official, the accounting system of the Agency, which also supports ICS and NIESO, substantially conforms with the principles, standards, and requirements prescribed by the Comptroller General.

Statements similar to this one are being provided to The President and the Chairman of the Senate Select Committee on Intelligence.

Sincerely,

/s/ William J. Casey

William J. Casey
Director of Central Intelligence

SUBJECT: Report to the Chairman of the House Permanent Select Committee on Intelligence

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